REPORT

DATE: December 1, 2005

TO: The Transportation and Communications Committee (TCC)

FROM: Charlotte Pienkos, Government Affairs Analyst

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SUBJECT: CEQA Reform in the 2006 State and Federal Legislative Program

EXECUTIVE DIRECTOR'S APPROVAL

RECOMMENDED ACTION: Approve the revised CEQA reform language for inclusion in the legislative program

SUMMARY:

The 2006 State and Federal Legislative Program is adopted annually by the Regional Council following approval by the policy committees. A draft legislative program was reviewed by the TCC in November and was approved with the exception of the section referencing CEQA reform and environmental streamlining. Clarification of that section was requested and is provided in this report. Staff recommends approval of the revised CEQA reform language for inclusion in the legislative program consistent with adopted Regional Council policy. The Regional Council is scheduled to consider the legislative program at its meeting today. If adopted, the legislative program will be implemented in January at the beginning of the 2006 state and federal legislative sessions.

BACKGROUND:

The TCC, at its November meeting, considered the 2006 State and Federal Legislative Program. A new legislative program is contemplated every year in anticipation of the upcoming legislative sessions in Sacramento and Washington. This year's program contained few modifications and strongly resembled the 2005 program because 2006 marks the mid-point of the two-year legislative cycle, and broad policy changes are not contemplated at this time.

The TCC approved the legislative program with the exception of the section referencing CEQA reform and environmental streamlining. Government Affairs staff was asked to bring back those provisions in December for approval and with additional clarification. The CEQA reform/environmental streamlining section has been clarified in the attached legislative program. Revisions are highlighted with explanatory remarks appearing in the bubbles along the right margin.

The CEQA reform revisions reflect the Regional Council's approval on July 7, 2005 of a policy to direct SCAG's participation in the on-going CEQA reform discussions in Sacramento. The discussions are an attempt to address the state's chronic housing supply shortage and to make the



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best use of planning and mitigation resources. The guiding principles of the adopted SCAG policy state that CEQA reform should:

- Ease the development of housing in appropriate, strategic locations (e.g. urban infill and transit oriented areas);
- Pursue environmental outcomes that are preferable to current conditions or "no-plan" future scenarios;
- Ensure that CEQA is used as intended rather than abused in order to stop/delay good projects;
- Promote regional planning; and
- Address a number of environmental impacts at the regional, rather than project, scale.

Additionally, the Regional Council stipulated the any CEQA procedure created through legislation should contain the following limitations:

- The program must be implemented voluntarily at the local level;
- The regional analysis, combined with the streamlined in-fill EIR, should form the functional equivalent of an EIR; and
- The program must be limited geographically to specific locations identified in the regional growth plan, known as the 2% areas.

Staff has encapsulated these adopted principles in the revised CEQA Reform/Environmental Streamlining section. It now reads:

CEQA Reform and Environmental Streamlining

Advocacy

- Support CEQA reform that, when implemented voluntarily at the local level, promotes regional planning and eases the development of housing in appropriate, strategic locations identified in the regional growth plan and known as 2% Strategy areas ^{2%}.
- Support CEQA reform that addresses environmental impacts at the regional, rather than project, scale and promotes environmental outcomes that are preferable to current conditions or "no-plan" future scenarios.
- Support CEQA reform that combines the regional analysis and the streamlined in-fill EIR to form the functional equivalent of an EIR.

Development

• Build federal, state and local stakeholder support, including public and private interests, for environmental streamlining.



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FISCAL IMPACT:

Because the SCAG fiscal year runs from July 1st through June 30th, while the legislative year runs from January 1st through December 31st, each SCAG budget covers the last half of the previous legislative session and the first half of the upcoming legislative session. The cost of adopting the recommended action is covered by the FY05-06 SCAG budget for the first half of the 2006 legislation session and requires no additional resources. No funds will be spent to implement the 2006 State and Federal Legislative Program from July 1st through December 31st without the approval of the FY06-07 SCAG budget.

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